



# Cleveland District Office News

Information for the Small Business Community

May 2006

## SEVEN MONTH LOAN REPORT as of April 30



U.S. Small Business Administration  
Cleveland District Office

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For More Information  
SBA Home Page: [www.sba.gov](http://www.sba.gov)

- SBA offices are located in all 50 states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands and Guam.
- For the office nearest you, look under "U.S. Government" in your telephone directory, or call the SBA Answer Desk.
- SBA Answer Desk:  
1-800 U ASK SBA
- Fax: 202-205-7064
- E-mail: [answerdesk@sba.gov](mailto:answerdesk@sba.gov)
- TDD: 704-344-6640
- Your rights to regulatory fairness:  
1-800-REG-FAIR

All of the SBA's programs and services are provided to the public on a non-discriminatory basis.

### Total Loan Volume – APRIL 2006 (7(a) and 504 Combined)

Bank	Number of Loans	Dollars (In Thousands)
Charter One Bank	425	\$21,296
National City Bank	154	\$19,779
US Bank	113	\$4,636
FirstMerit Bank	89	\$16,707
JP Morgan Chase Bank	89	\$14,108

### 504 Loans

Bank	Number of 504s
FirstMerit Bank	12
KeyBank	11
National City Bank	11
Huntington National Bank	5
JP Morgan Chase Bank	5
Sky Bank	5

CDC	Number of Approvals	Dollars (In Thousands)
Growth Capital Corp.	25	\$8,522
Cascade Capital Corp.	12	\$5,005
Lake County SBAC	10	\$2,475
MVEDC	9	\$5,391
Stark Dev. Board Finance Corp.	8	\$1,940
Ohio Statewide Dev. Corp.	2	\$1,432
Community Capital Dev. Corp.	2	\$464
Lucas County Imprv. Corp.	1	\$720
Northwest OH Dev. Asst. Corp.	1	\$258

## SBA Administrator Hector Barreto Resigning To Become Chair Of Prominent Hispanic Organization

SBA Administrator Hector V. Barreto has announced that he is stepping down as head of the agency to become national chairman of The Latino Coalition, a prominent Hispanic advocacy organization based in Washington DC. Barreto has led the SBA since July 2001.

During Barreto's tenure, the SBA has seen significant growth in its lending, technical assistance and procurement programs, especially as they apply to minorities and women. Between 2001 and 2005, the agency doubled the number of loans made through the main SBA business loan programs. There has also been a steady increase in the number of clients obtaining technical assistance, education and counseling through the SBA and its resource partners.

Additionally, as a result of active engagement between the SBA and federal agencies, procurement dollars going to small businesses have reached all-time highs. The SBA has also responded in an unprecedented manner following last year's devastating hurricanes.

Barreto has agreed to remain in his post as SBA administrator during a transition period. As national chairman of The Latino Coalition, Barreto will lead an organization whose mission is to develop and promote policies that will foster economic equivalency and enhance overall business, economic, and social development of the American Hispanic community. ♦

## NEWS FOR SBA LENDERS National Territory for PLP Lenders and Streamlined Procedures for Approving PLP Authority



SBA is continuing to streamline its loan programs to enhance program efficiency and to improve customer service to its lending partners and the small business community. Following discussions with the lending industry, the Agency has concluded that authorizing lenders to make PLP loans nationwide will enhance small business access to capital, and that SBA's handling of requests by SBA lenders for PLP status can be more timely and efficient.

Effective with the date of this Notice, the geographic territory for each existing PLP lender will be nationwide. SBA lenders seeking new PLP status also will receive nationwide PLP geographic territory.

Requests by SBA lenders for new PLP authority should be submitted to the Sacramento Loan Processing Center (Center), attention Center Director, Sacramento Loan Processing Center, U.S. Small Business Administration, 501 I Street, Suite 12-100, Sacramento, CA 95814-2322 or they may be faxed to (916) 930-2406. Such requests should contain the information set forth in SOP 50-10(4), Subpart D, Chapter 3, Paragraph 2.a.

Upon receipt of a lender's request for PLP authority, the Center will compile information and aggregated data concerning the lender on a worksheet and will provide that worksheet to the Lead SBA Office (the SBA field office serving the area in which the lender's office is located, which is where the lender's headquarters is located or, if the lender has a national loan processing center, where that center is located) and the SBA loan servicing and liquidation centers, soliciting their comments and recommendations about the lender's suitability for the PLP program. Comments concerning the request must be substantive and detailed, particularly if there is a recommendation against granting PLP authority. Also, lack of activity in, or contact with, a field office or center is not considered a basis to object to a lender's request.

A timely response is crucial to the expeditious processing of PLP applications. As a result, the Lead SBA Office and the loan servicing and liquidation centers must return the worksheet to the Center **within 10 business days**. However, the Lead SBA Office or center may request additional time from the Center if unusual or extraordinary circumstances are evident regarding a particular lender's application.

The Center will analyze the lender's application package and its record as an SBA lender, as well as Lead SBA Office and servicing and liquidation center information. The Center Director will send its analysis and recommendation to Headquarters for a final decision.

These procedures will be incorporated into an SOP at the earliest opportunity. Questions concerning this notice should be directed to Sally Schimmel in the Center on (916) 930-2457 or e-mail [sally.schimmel@sba.gov](mailto:sally.schimmel@sba.gov). ♦

## Congressmen to Hold Small Business Seminars

### Congressman Sherrod Brown

invites the public to a small business seminar on May 22nd presented in cooperation with the SBA Cleveland District Office. Presentations on SBA loan programs, selling to the Federal government and Small Business Development Center services will take place, and IRS information will be shared. A Town Hall business issue discussion will follow so participants may interact with government program specialists. The free program will be held at Canal Place, Building 24 -cafeteria, 420 South Main Street., Akron from 9:00 a.m. to 11:00 a.m. To reserve a seat, please call 330-865-8450.

**Congressman Ted Strickland** will host an event on June 9th for those interested in small business issues. The SBA Cleveland District Office will detail SBA loan programs and Federal procurement opportunities. Small Business Development Center assistance and U.S. Department of Agriculture offerings will be explained. A question and answer session is scheduled. The free event will take place on from 9:00 a.m. to 11:30 a.m. at Jefferson Community College, Pugliese Training Center, 4000 Sunset Boulevard, Steubenville. Registration is from 8:30 a.m. to 9:00 a.m. ♦

### Cleveland District Office Program Staff

**Gilbert B. Goldberg**, District Director  
**Richard A. Lukich**, District Counsel

#### Lender Relations:

**James F. Donato**, Manager and PIO  
**Timothy J. Enschr**, Lender Relations Specialist  
**Mark C. Hansel**, Lender Relations Specialist  
**Thomas R. Sangrik**, Lender Relations Specialist

#### Business & Economic Development (Community Outreach):

**James M. Duffy**, ADD/BD  
**John R. Renner**, Business Development Specialist  
**Sonya M. Wagasky**, Business Development Specialist

## Small Business Saved \$6.6 Billion in FY 2005

The SBA Office of Advocacy, the “small business watchdog” of the government, saved small business over \$6.6 billion in fiscal year 2005. By working with federal agencies to implement the Regulatory Flexibility Act (RFA), Advocacy ensured the voice of small business was heard in the regulatory process. That effort resulted in rules which met their regulatory goals while at the same time lessening the burden on small business compared with the original proposals.

“The Office of Advocacy is proud to live up to its reputation as a fighter for American small business,” said Chief Counsel for Advocacy Thomas M. Sullivan. “When the voice of small business is heard in the regulatory process better decisions are made and better rules are written. By working closely with small business owners, their representatives, and with federal agencies our staff showed that one-size-fits-all rules are not the best solution. Our cost savings show that many times original proposed rules can impose unintended costs on America’s innovative, job-creating small businesses.”

The \$6.6 billion in foregone regulatory cost savings by small business are outlined in the *Report on the Regulatory Flexibility Act, FY 2005*, released by the Office of Advocacy.

The report also highlights other Advocacy accomplishments in RFA compliance and compliance with President Bush’s Executive Order 13272, which mandates additional agency actions to limit the impact of proposed rules on small business.

These accomplishments include:

- An additional \$966 million in annual recurring savings for small entities.
- Twenty-one agency training seminars focusing on how to comply with the RFA and EO 13272.
- Two dozen comment letters submitted to agencies by Advocacy, outlining how compliance with the RFA would result in better rules and reduce burdens on small business.

Advocacy research shows that the smallest of businesses annually spend \$7,647 per employee to comply with all federal regulations. That is 45 percent more than the \$5,282 per employee spent by firms with 500 employees or more.

The Office of Advocacy, the “small business watchdog” of the government, examines the role and status of small business in the economy and independently represents the views of small business to federal agencies, Congress, and the President. It is the source for small business statistics presented in user-friendly formats and it funds research into small business issues. ♦

### Did you know?

The mission of the SBA is to maintain and strengthen the Nation’s economy by enabling the establishment and viability of small businesses and by assisting in the economic recovery of communities after disasters.